

EXHIBIT U

From: Kambhampati, Laxmi [Laxmi.Kambhampati@mufgsecurities.com]
Sent: 1/25/2021 3:00:39 PM
To: Peluso, Espedito- Securities(EMEA) [Espedito.Peluso@mufgsecurities.com]; Tobin, Susan [Susan.Tobin@mufgsecurities.com]
CC: Seminara, Alessio- Securities(EMEA) [Alessio.Seminara@mufgsecurities.com]
Subject: RE: Archegos update and notional limits

Hello,

We had a call with Archegos and below are some details. Archegos had a great year. They ended the year with \$8bn. There are 4 non-PB ISDA counterparties and the swap balances with each of the 4 c/p are around the same. The Top 3 PBs are the largest swap provider each with roughly 20% exposure.

- As of end of December 2020 total capital was **\$8.078bn**
- 2020 gross performance **+134.3%** and net performance **+107.1%**
- No change in investment strategy.
- Archegos is comprised solely of Bill Hwang's money.
- No plans to change investment strategy or include a sub-strategy
- Chinese ADRs are a big contributor to overall performance in 2020.
- **Current Portfolio Composition as of January 25, 2021**
 - Portfolio continues to be comprised of liquid names. There is concentration in Tech/Media stocks – Alphabet, Amazon, Netflix, Chinese ADRS (i.e. iQIYI Inc – ADR, VipShop Holdings – ADR, Alibaba- ADR, and Baidu – ADR). The top 10 positions include 2 or 3 financial companies (2nd tier in terms of size)
 - Largest positions
 - Within the top 10 long position which are pretty close in size each have around 35% of capital.
 - Most of the short positions are ETFs (such as EEM and SPY) although there are a few single names. There are some custom baskets such as SPY with some companies taken out.
 - Current portfolio gross exposure (Long Cash Positions + abs(short cash positions))/ capital is around 610% or \$49.5bn and net exposure is 225% or \$18.3bn
- No change year over year. Archegos has 7 prime brokers and ISDA with 6 of them. The PBs are Morgan Stanley, Credit Suisse, Nomura, Wells Fargo, UBS, Deutsche Bank and Jefferies. Wells Fargo is the only PB with no ISDA.
- Top PBs are Morgan Stanley, Credit Suisse, UBS and Nomura. The **top 3 P/Bs each have around 20% of the swap exposure**
- There are **4 ISDA** counterparties that are not PBs – **MUFG**, Mizuho, Macquarie, and Goldman. The swap balances with each of these counterparties is around the same.
- **Cash Management**
 - Archegos does the cash management and has a soft target excess cash balance of 30% of capital. At December 31, 2020 cash balances were \$2.4bn.

Laxmi
 212-406-7196

From: Espedito Peluso [mailto:Espedito.Peluso@mufgsecurities.com]
Sent: Friday, January 22, 2021 7:44 AM
To: Tobin, Susan; Kambhampati, Laxmi
Cc: Seminara, Alessio- Securities(EMEA)
Subject: RE: Archegos update and notional limits

Good
 Thank you
 E

Espedito Peluso

Managing Director | Head of Credit Risk Management



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From: Susan Tobin- Securities(Americas)
Sent: 22 January 2021 12:43
To: Espedito Peluso; Laxmi Kambhampati- Securities(Americas)
Cc: Alessio Seminara
Subject: RE: Archegos update and notional limits

I am out of the office today so a call next week can be set up.

Sue

Sent with BlackBerry Work
(www.blackberry.com)

From: Espedito Peluso <Espedito.Peluso@mufgsecurities.com>
Date: Friday, Jan 22, 2021, 5:37 AM
To: Tobin, Susan <Susan.Tobin@mufgsecurities.com>, Kambhampati, Laxmi <Laxmi.Kambhampati@mufgsecurities.com>
Cc: Seminara, Alessio- Securities(EMEA) <Alessio.Seminara@mufgsecurities.com>
Subject: Archegos update and notional limits

Hello Sue, Laxmi

I would like to discuss the point.

I think the F/O is blinded by the revenue not knowing the account enough and its operating status, one man band.

I am concerned on the possibility that we are the main market provider and we get sizable concentration risk.

I am also considering if we need to have an ORM DD to get more comfortable with the operation of the fund.

Could you arrange a call on the name among us in Credit, please?

Best Regards

E

Espedito Peluso

Managing Director | Head of Credit Risk Management



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From: Michael Madden- Securities(Americas)
Sent: 21 January 2021 20:01
To: Espedito Peluso; Susan Tobin- Securities(Americas); Ryan Osborne- Securities(Americas)
Subject: RE: + Mike FW: Archegos update and notional limits

Ha. Let me know if we need to discuss with you and your team.

Thanks

Michael Madden
Managing Director
International Head of Equity Sales & Trading



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From: Espedito Peluso [mailto:Espedito.Peluso@mufgsecurities.com]
Sent: Thursday, January 21, 2021 1:35 PM
To: Madden, Michael; Tobin, Susan; Osborne, Ryan
Subject: RE: + Mike FW: Archegos update and notional limits

Greedy :-)

Espedito Peluso

Managing Director | Head of Credit Risk Management



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From: Michael Madden- Securities(Americas)
Sent: 21 January 2021 18:33
To: Espedito Peluso; Susan Tobin- Securities(Americas); Ryan Osborne- Securities(Americas)
Subject: RE: + Mike FW: Archegos update and notional limits

Understood. We would like to ask for an increase to a \$700mn limit.

Michael Madden
Managing Director
International Head of Equity Sales & Trading



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From: Espedito Peluso [mailto:Espedito.Peluso@mufgsecurities.com]
Sent: Thursday, January 21, 2021 8:31 AM
To: Madden, Michael; Tobin, Susan; Osborne, Ryan
Subject: RE: + Mike FW: Archegos update and notional limits

Hello Mike
The name presents various inherent risks that we cannot overlook. Removing the cap is not a good idea. Revising the Cap may be possible.
Best Regards
E

Espedito Peluso

Managing Director | Head of Credit Risk Management



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From: Michael Madden- Securities(Americas)
Sent: 20 January 2021 00:00
To: Susan Tobin- Securities(Americas); Ryan Osborne- Securities(Americas); Espedito Peluso
Subject: RE: + Mike FW: Archegos update and notional limits

Hi Espedito,

Happy New Year

Please let us know what your thoughts are on removing the gross notional limit for Archegos (see Ryan's email below).

Thanks

Michael Madden
Managing Director
International Head of Equity Sales & Trading



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From: Tobin, Susan
Sent: Tuesday, January 12, 2021 6:13 PM
To: Osborne, Ryan; Peluso, Espedito- Securities(EMEA)
Cc: Madden, Michael
Subject: + Mike FW: Archegos update and notional limits

Sue

Susan Tobin
Managing Director
Head of Credit Risk | Risk Management Group



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From: Tobin, Susan
Sent: Tuesday, January 12, 2021 6:12 PM
To: Osborne, Ryan; Peluso, Espedito- Securities(EMEA)
Subject: RE: Archegos update and notional limits

Ryan,
Thank you for the explanation. It is good to hear that the business relationship is blossoming.
I think what you are proposing is certainly worth considering once we receive the annual audited financial information and an opportunity to catch up with the Archegos management team.
We have been slowly developing a good dialogue and I am optimistic that we can deepen the relationship from a credit risk perspective with your collaboration.

Best regards,
Sue

Susan Tobin
Managing Director
Head of Credit Risk | Risk Management Group



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From: Osborne, Ryan
Sent: Tuesday, January 12, 2021 6:00 PM
To: Tobin, Susan; Peluso, Espedito- Securities(EMEA)
Cc: Madden, Michael
Subject: Archegos update and notional limits

Hi Sue and Espedito,

Hope the new year is treating you well. We wanted to pass along a brief thank you for your help getting Archegos set up last year and an update on progress as it's become one of our best accounts in within equities. Although they have been a client for many years here at MUFG, we were only able to generate around \$100k/year historically on the cash trading side. Now that we have been up and running with equity derivatives this past year, we've made north of \$1mm in commissions and financing revenues and there is still more to do. It's been a great success story, especially considering we've been able to pair off most of their trades with other clients resulting in little balance sheet usage. While we have sufficient credit lines in place to continue trading, we've been at our gross notional limit since October and would like to see if we can remove or increase the notional limit now that we have more history with the account on the derivatives side, as unfortunately we've missed quite a few trades these last few months. Ideally we would like to transition to monitoring the credit exposure via the derivative PFE limits as we do for our other accounts, but if still necessary to keep a notional limit, we would request a \$300mm increase from current levels which should allow us to fully utilize the current credit limits. Please let us know if we can get you any further information that would be helpful.

Thanks,

Ryan

Ryan Osborne, CFA
Head of Equity Derivatives and Delta One
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